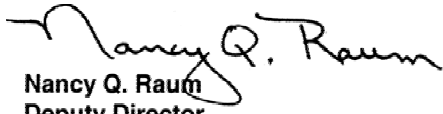


Transportation Security Administration
Office of Human Resource Management
Washington, DC 20590

Date: July 17, 2002

SUBJECT: Interim Policy on the TSA Pay Administration

FROM:


Nancy Q. Raum
Deputy Director
Office of Human Resource Management

Attached please find the interim policy on Pay Administration within the TSA.

Any questions concerning the policy may be directed to Jan Karicher at (202) 385-1445.

**US DEPARTMENT OF TRANSPORTATION
TRANSPORTATION SECURITY ADMINISTRATION
HUMAN RESOURCE MANAGEMENT POLICY MANUAL**

HRM LETTER NO. 500 - 1

DATE: July 12, 2002

SUBJECT: Interim Policy on Pay Administration

1. COVERAGE

The provisions of this letter apply to all TSA employees.

2. BASIC PAY

a. Non-Transportation Security Executive Service (Non-TSES)

The annual payable basic pay for non-TSES employees shall be limited to the rate of pay for Level IV of the Executive Schedule, currently \$130,000.

b. TSES

The TSES has three levels: TSES – 1, \$110,600 to \$150,000 per year; TSES – 2, \$104,800 to \$150,000 per year; and TSES – 3, \$99,000 to \$145,800 per year. The annual basic pay for members of the TSES shall be limited to the rate of pay for Level II of the Executive Schedule, currently \$150,000.

3. LOCALITY PAY

a. Non-TSES

The annual payable combination of basic pay and locality pay for non-executives shall be limited to the rate of pay for Level III of the Executive Schedule, currently \$138,200.

b. TSES

The annual payable combination of basic pay and locality pay for members of the TSES at all three levels shall be limited to Level II of the Executive Schedule, currently \$150,000.

4. BIWEEKLY LIMITATION ON PREMIUM PAY

a. Non-TSES

Employees may receive premium pay – overtime, night pay, LEAP, holiday pay and Sunday pay – only to the extent that the payment does not cause biweekly basic/locality pay when combined with premium pay to exceed the greater the GS-15/10 rate payable in the applicable locality area or the rate payable to Level V of the Executive Schedule, currently \$4,661.60.

In certain situations involving the performance of work in connection with an emergency or critical to the mission of the agency, the Under Secretary may waive the biweekly earnings limitation. In those instances, employees may receive premium pay only to the extent the aggregate of basic pay and premium pay for the **calendar year** does not exceed the greater of the annual GS-15/10 rate payable in the applicable locality or the annual rate payable to Level V of the Executive Schedule, currently \$121,600.

This does not mean an employee cannot earn more than \$121,600 annually. For example, if an employee has a basic/locality rate of \$123,000, he/she will receive that rate annually, but may not receive any premium pay. If an employee has a basic/locality rate of \$120,000, and is in an area where the rate for Level V of the Executive Schedule is higher than the GS-15/10 pay rate, he/she may only receive \$1,600 in premium pay during the year, regardless of the number of hours worked.

b. TSES

Members of the TSES are not eligible to receive premium pay.

5. OVERTIME PAY

a. Regular Overtime Rate

Except for Law Enforcement Officers, the overtime rate shall be equal to the lesser of one and one-half times the employee's hourly rate of pay, or the GS-10/1 overtime pay rate in the appropriate locality area.

b. Overtime Rate for Law Enforcement Officers

The overtime rate for Law Enforcement Officers shall be equal to one and one-half times the employee's hourly rate of pay, if that rate is equal to or lesser than the appropriate locality overtime rate for GS-10/1, or the individual's straight time rate if it is greater than the overtime rate payable to GS-10/1. The combination of basic/locality pay and overtime pay shall be limited to the biweekly limitation addressed in paragraph 4 above.

c. Compensatory Time Off In Lieu of Overtime Pay

Managers may direct compensatory time off in lieu of overtime pay for employees working irregular or occasional overtime and earning more than the appropriate GS-10/10 rate of pay.

Additionally, employees may elect to receive compensatory time off in lieu of overtime pay. In either case, the cash value of the comp-time shall be limited to the biweekly limitation addressed in paragraph 4 above.

d. Call Back Overtime Pay

If an employee is required to return to his or her place of duty during "non-work" hours, the employee is entitled to receive a minimum of two hours overtime pay. For example, if an employee with a regular shift of 8:00 a.m. to 4:30 p.m., Monday through Friday, is called into the office at 10:00 p.m. on a Monday night and completes his or her assignment by 10:30 p.m., the employee will receive two hours of overtime pay even though it took only 30 minutes to complete the assignment.

6. LAW ENFORCEMENT AVAILABILITY PAY

Federal Air Marshals and Criminal Investigators shall receive Law Enforcement Availability Pay (LEAP) to ensure they are available for substantial unscheduled duty in excess of the 40-hour
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workweek. LEAP is payable only to the extent that it does not cause the combination of basic/locality pay and availability pay to exceed the biweekly limitation addressed in paragraph 4 above.

A law enforcement officer's overall pay is not limited to the appropriate GS-15/10 rate or \$121,600 a year. For example, if an LEO has a basic/locality rate of \$122,000, he/she will receive that rate annually, but will not be paid any LEAP. If an LEO has a basic/locality rate of \$119,000, in an area where the Level V rate is higher than the appropriate GS-15/10 rate, he/she will receive \$2,600 in LEAP.

7. NIGHT PAY DIFFERENTIAL

Night work is regularly scheduled work performed by an employee between the hours of 6:00 p.m. and 6:00 a.m. An employee who performs night work is entitled to pay for that work at his or her rate of basic pay plus a night pay differential amounting to 10 percent of the rate of basic pay. Night pay differential may only be paid for the hours of work occurring between 6:00 p.m. and 6:00 a.m. Therefore, if an employee has a normal tour that encompasses both daytime and nighttime hours, pay for only those occurring between 6:00 p.m. and 6:00 a.m. will be computed with the differential.

8. PAY FOR HOLIDAY WORK

An employee who performs non-overtime work on a holiday will receive pay at his or her rate of basic pay, plus premium pay equal to his or her rate of basic pay. Therefore, an employee working a normal tour on a holiday will receive "double time" – 8 hours of basic pay that all employees receive on the holiday, and another 8 hours of pay for working.

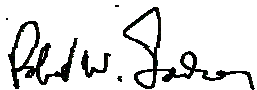
An employee assigned to work on a holiday is entitled to receive a minimum of two hours holiday premium pay.

9. PAY FOR SUNDAY WORK

A full-time employee will receive pay at the employee's basic rate plus premium pay at a rate of 25 percent of his or her rate of basic pay for each regularly scheduled hour of non-overtime work performed on a Sunday. Additionally, an employee who is scheduled to work on Sunday, but is excused due to paid leave or excused absence will receive pay for Sunday work while excused.

10. ANNUAL AGGREGATE LIMIT ON TOTAL EARNINGS

Total earnings – basic/locality pay, law enforcement availability pay, premium pay, recruitment or retention bonuses, relocation allowances, awards, bonuses, etc. – shall be limited to Level I of the Executive Schedule, currently \$166,700 for non-TSES and TSES employees. If during a calendar year, an employee has total earnings in excess of \$166,700, the excess will be payable in a lump sum at the beginning of the following calendar year. If an employee who has exceeded the total earnings limitation separates from the Federal Government prior to the end of the calendar year, a lump sum payment covering the excess may be made after a break in service of 30 days.



Robert W. Gardner
Associate Under Secretary for
Finance and Administration

Filing Instructions: File with HRM 500 Letters and Guidance

Distribution: TSA affiliated HR Offices, Associate Under Secretaries

POC: TSAHR/Jan Karicher/571-227-2828